

# Fact Sheet

## Module 2: Wage and Tip Income

**Wage** and **salary** income is compensation received by employees for services performed.

**Tips** are money and goods received by food servers, baggage handlers, hairdressers, and others as a gratuity for services performed.

Employers report wage, salary, and tip income on Form W-2, Wage and Tax Statement.

Employees use Form W-2 to complete their individual income tax returns.

<b>a</b> Control number		22222		Void <input type="checkbox"/>		For Official Use Only ► OMB No. 1545-0008	
<b>b</b> Employer identification number				<b>1</b> Wages, tips, other compensation		<b>2</b> Federal income tax withheld	
				17,253.00		1,552.00	
<b>c</b> Employer's name, address, and ZIP code				<b>3</b> Social security wages		<b>4</b> Social security tax withheld	
The Kitchen Corner Main and Oak Anytown, USA xxxxx				17,253.00		1,069.69	
				<b>5</b> Medicare wages and tips		<b>6</b> Medicare tax withheld	
				17,253.00		250.17	
<b>d</b> Employee's social security number				<b>7</b> Social security tips		<b>8</b> Allocated tips	
				2,321.00			
<b>e</b> Employee's first name and initial				<b>9</b> Advance EIC payment		<b>10</b> Dependent care benefits	
Brandon R.							
Last name				<b>11</b> Nonqualified plans		<b>12a</b> See instructions for box 12	
Cooper						e a c c	
2265 North Central Avenue Anytown, USA xxxxx				<b>13</b> Statutory employee		<b>12b</b>	
				Retirement plan		e a c c	
				Third-party sick pay		e a c c	
				<b>14</b> Other		<b>12c</b>	
<b>f</b> Employee's address and ZIP code						<b>12d</b>	
						e a c c	
<b>15</b> State		<b>16</b> State wages, tips, etc.		<b>17</b> State income tax		<b>18</b> Local wages, tips, etc.	
Employer's state ID number						<b>19</b> Local income tax	
						<b>20</b> Locality name	

Form **W-2** Wage and Tax  
Statement

2004

Department of the Treasury—Internal Revenue Service

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